



SB - 843

March 4, 2013

Dear Members of the Finance Revenue and Bonding Committee,

The Retail Energy Supply Association (RESA) is the nation's leading association of competitive energy suppliers dedicated to creating and sustaining vibrantly competitive electricity and natural gas markets for the benefit of consumers. RESA is a trade association comprised of 18 competitive energy suppliers who are actively involved in supplying competitive electric and natural gas products across the country, including customers in Connecticut. RESA appreciates the opportunity to comment on Section 19 of Senate Bill 839 the Governor's aggregation energy proposal. RESA supports the promotion of affirmative customer choice and the further advancement of retail markets and is glad to see Connecticut evaluating changes to achieve such advancement.

RESA would like to receive more details about the specific proposal on aggregation to determine whether we support it. The questions below will help us understand the proposal. RESA wants to ensure that whatever changes are made to the Connecticut energy market does not create barriers to suppliers meeting customers' energy needs directly by signing up individual customers.

Below are the questions we hope you consider when furthering to develop this proposal:

- Does subsection (e) indicate that there will not be any early termination fees before the end of the first year and/or three year term of the contracts?
- Would PURA have similar jurisdiction and regulatory authority over these contracts as it does for default service today?
- Would there be an education campaign for consumers? If so, would the campaign begin before the auction process and would there be continual education on the consumers' right to choose a competitive supplier?
- How will the bids be evaluated (e.g. price per individual, price per kWh)?
- Will there be a required minimum number of participating bidders before proceeding with an auction? To address market power, will there be a required minimum number of different providers selected for each utility auction and a maximum amount of marketshare for each winning retail supplier (bidder).
- The bill establishes the initial 5% discount for the first year; how will the price setting mechanism employed for the second and third year result in customer rates that are reflective of the market?

- Will there be any provisions to protect the existing wholesale contracts during the implementation of this proposal?

Thank you for your consideration of these questions. RESA hopes we can work the committee and further provide you with some insight we have gathered through our experience in the industry and working in deregulated states across the nation.

Thank you for your time.

Sincerely,

Melissa Biggs
203-848-0142

RESA's members include: Champion Energy Services, LLC; ConEdison *Solutions*; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; GDF SUEZ Energy Resources NA, Inc.; Hess Corporation; Integrys Energy Services, Inc.; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; NRG, Inc.; PPL EnergyPlus, LLC; Stream Energy; TransCanada Power Marketing Ltd. and TriEagle Energy, L.P.. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.